

# House Study Bill 508 - Introduced

HOUSE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON  
ENVIRONMENTAL PROTECTION  
BILL BY CHAIRPERSON JONES)

## A BILL FOR

- 1 An Act requiring consumers to redeem beverage container
- 2 deposits at redemption centers.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 455C.2, Code 2016, is amended to read as  
2 follows:

3 **455C.2 Refund values.**

4 1. A refund value of not less than five cents shall be paid  
5 by the consumer on each beverage container sold in this state  
6 by a dealer for consumption off the premises. Upon return of  
7 the empty beverage container upon which a refund value has been  
8 paid to the ~~dealer or~~ person operating a redemption center  
9 and acceptance of the empty beverage container by the ~~dealer~~  
10 ~~or~~ person operating a redemption center, the ~~dealer or~~ person  
11 operating a redemption center shall return the amount of the  
12 refund value to the consumer.

13 2. In addition to the refund value provided in subsection  
14 1 of [this section](#), a ~~dealer, or~~ person operating a redemption  
15 center who redeems empty beverage containers or a dealer agent  
16 shall be reimbursed by the distributor required to accept the  
17 empty beverage containers an amount which is one cent per  
18 container. A ~~dealer, dealer agent, or~~ person operating a  
19 redemption center may compact empty metal beverage containers  
20 with the approval of the distributor required to accept the  
21 containers.

22 Sec. 2. Section 455C.3, subsection 1, Code 2016, is amended  
23 by striking the subsection.

24 Sec. 3. Section 455C.3, subsection 2, Code 2016, is amended  
25 to read as follows:

26 2. A distributor shall accept and pick up from a ~~dealer~~  
27 ~~served by the distributor or~~ a redemption center for a  
28 dealer served by the distributor at least weekly, or when the  
29 distributor delivers the beverage product if deliveries are  
30 less frequent than weekly, any empty beverage container of the  
31 kind, size and brand sold by the distributor, and shall pay to  
32 the ~~dealer or~~ person operating a redemption center the refund  
33 value of a beverage container and the reimbursement as provided  
34 under [section 455C.2](#) within one week following pickup of the  
35 containers or when the ~~dealer or~~ redemption center normally

1 pays the distributor for the deposit on beverage products  
2 purchased from the distributor if less frequent than weekly.  
3 A distributor or employee or agent of a distributor is not in  
4 violation of [this subsection](#) if a redemption center is closed  
5 when the distributor attempts to make a regular delivery or a  
6 regular pickup of empty beverage containers. [This subsection](#)  
7 does not apply to a distributor selling alcoholic liquor to the  
8 alcoholic beverages division of the department of commerce.

9 Sec. 4. Section 455C.4, subsections 1, 2, and 3, Code 2016,  
10 are amended to read as follows:

11 1. Except as provided in [section 455C.5, subsection 3](#), a  
12 ~~dealer~~, a person operating a redemption center, a distributor,  
13 or a manufacturer may refuse to accept any empty beverage  
14 container which does not have stated on it a refund value as  
15 provided under [section 455C.2](#).

16 2. A dealer may refuse to accept and to pay the refund value  
17 of any empty beverage container ~~if the place of business of the~~  
18 ~~dealer and the kind and brand of empty beverage containers are~~  
19 ~~included in an order of the department approving a redemption~~  
20 ~~center under [section 455C.6](#)~~.

21 3. A ~~dealer or a~~ distributor may refuse to accept and to pay  
22 the refund value of an empty wine or alcoholic liquor container  
23 which is marked to indicate that it was sold by a state liquor  
24 store. The alcoholic beverages division shall not reimburse  
25 ~~a dealer or a distributor~~ the refund value on an empty wine or  
26 alcoholic liquor container which is marked to indicate that the  
27 container was sold by a state liquor store.

28 Sec. 5. Section 455C.7, Code 2016, is amended to read as  
29 follows:

30 **455C.7 Unapproved redemption centers.**

31 Any person may establish a redemption center which has not  
32 been approved by the department, at which a consumer may return  
33 empty beverage containers and receive payment of the refund  
34 value of the beverage containers. ~~The establishment of an~~  
35 ~~unapproved redemption center shall not relieve any dealer from~~

1 ~~the responsibility of redeeming any empty beverage containers~~  
2 ~~of the kind and brand sold by the dealer.~~

3 Sec. 6. Section 455C.14, subsection 1, Code 2016, is amended  
4 to read as follows:

5 1. If the refund value indication required under section  
6 455C.5 on an empty nonrefillable metal beverage container  
7 is readable but the redemption of the container is lawfully  
8 refused by a ~~dealer or~~ person operating a redemption center  
9 under other sections of [this chapter](#) or rules adopted pursuant  
10 to these sections, the container shall be accepted and the  
11 refund value paid to a consumer as provided in [this section](#).  
12 Each beer distributor selling nonrefillable metal beverage  
13 containers in this state shall provide individually or  
14 collectively by contract or agreement with a ~~dealer,~~ person  
15 operating a redemption center or another person, at least  
16 one facility in the county seat of each county where refused  
17 empty nonrefillable metal beverage containers having a  
18 readable refund value indication as required by [this chapter](#)  
19 are accepted and redeemed. In cities having a population of  
20 twenty-five thousand or more, the number of the facilities  
21 provided shall be one for each twenty-five thousand population  
22 or a fractional part of that population.

23 EXPLANATION

24 The inclusion of this explanation does not constitute agreement with  
25 the explanation's substance by the members of the general assembly.

26 This bill relieves dealers from the requirement that they  
27 must accept the return of beverage containers from consumers  
28 and return the container deposit to consumers. Thus, consumers  
29 would be required to return beverage containers to redemption  
30 centers to redeem the deposit.